CHAPTER 168

## **HUMAN SERVICES - SOCIAL SERVICES**

HOUSE BILL 05-1336

BY REPRESENTATIVE(S) Solano, Gallegos, Garcia, Jahn, Massey, McKinley, Berens, Boyd, Coleman, Frangas, Green, Hodge, Larson, Merrifield, Paccione, Pommer, Rose, Schultheis, Todd, Hoppe, Riesberg, and Romanoff; also SENATOR(S) Entz, Kester, and Taylor.

## AN ACT

CONCERNING AN EXAMINATION OF OPTIONS TO ASSURE THE PROVISION OF A HIGH QUALITY OF CARE IN CERTAIN STATE NURSING HOMES, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

Be it enacted by the General Assembly of the State of Colorado:

- **SECTION 1. Legislative declaration.** (1) The general assembly hereby finds that it is in the best interests of the citizens of this state to attain the highest quality of care possible at the state and veterans nursing homes located in Homelake, Florence, Trinidad, Rifle, and Aurora, Colorado.
- (2) The general assembly, therefore, determines that it is necessary to create a legislative oversight committee and commission to:
- (a) Evaluate the quality of care provided at state and veterans nursing homes for veterans and their families, including but not limited to the management and administration of these facilities and associated fiscal issues; and
  - (b) Make legislative recommendations concerning quality-of-care issues.

**SECTION 2.** Article 12 of title 26, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

## PART 3 EVALUATION OF QUALITY OF CARE IN STATE AND VETERANS NURSING HOMES

**26-12-301. Definitions.** AS USED IN THIS PART 3, UNLESS THE CONTEXT OTHERWISE REQUIRES:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

- (1) "BOARD OF VETERANS AFFAIRS" MEANS THE BOARD OF VETERANS AFFAIRS CREATED IN SECTION 28-5-702, C.R.S.
- (2) "Commission" means the state and veterans nursing home commission established pursuant to section 26-12-303.
- (3) "Committee" means the legislative oversight committee established pursuant to section 26-12-302.
- **26-12-302.** Legislative oversight committee creation duties. (1) Creation. (a) There is hereby created a legislative oversight committee for the purpose of evaluating the quality of care provided to veterans and their families at the state and veterans nursing homes located in Homelake, Florence. Trinidad. Rifle. and Aurora. Colorado.
- (b) THE COMMITTEE SHALL CONSIST OF EIGHT MEMBERS. THE PRESIDENT OF THE SENATE, THE MINORITY LEADER OF THE SENATE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, AND THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT THE MEMBERS OF THE COMMITTEE AS FOLLOWS:
- (I) THE PRESIDENT OF THE SENATE SHALL APPOINT TWO SENATORS TO SERVE ON THE COMMITTEE, AND THE MINORITY LEADER OF THE SENATE SHALL APPOINT TWO SENATORS TO SERVE ON THE COMMITTEE;
- (II) The speaker of the house of representatives shall appoint two representatives to serve on the committee, and the minority leader of the house of representatives shall appoint two representatives to serve on the committee.
- (c) The president of the senate shall select the chair of the committee and the speaker of the house of representatives shall select the vice-chair. The chair and vice-chair shall serve until the repeal of this part 3 or until there is a vacancy in either position. The chair and vice-chair of the committee may establish such organizational and procedural rules as are necessary for the operation of the committee. In the event of a vacancy in either position, a successor shall be selected in accordance with this paragraph (c).
- (d) (I) NOTWITHSTANDING THE PROVISIONS OF SECTION 2-2-307, C.R.S., THE COMMITTEE MAY RECEIVE PAYMENT OF PER DIEM AND REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES AUTHORIZED PURSUANT TO SAID SECTION AND ANY OTHER DIRECT OR INDIRECT COSTS ASSOCIATED WITH THE DUTIES OF THE COMMITTEE SET FORTH IN THIS PART 3 ONLY FROM MONEYS APPROPRIATED FROM THE EVALUATION OF STATE AND VETERANS NURSING HOMES CASH FUND CREATED IN SECTION 26-12-305.
- (II) THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL AND THE DIRECTOR OF THE OFFICE OF LEGISLATIVE LEGAL SERVICES MAY SUPPLY STAFF ASSISTANCE TO THE COMMITTEE AS THEY DEEM APPROPRIATE, WITHIN EXISTING APPROPRIATIONS. IF STAFF ASSISTANCE IS NOT AVAILABLE WITHIN EXISTING APPROPRIATIONS, THEN THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL AND THE DIRECTOR OF THE

OFFICE OF LEGISLATIVE LEGAL SERVICES SHALL SUPPLY STAFF ASSISTANCE TO THE COMMITTEE TO THE EXTENT THAT MONEYS ARE CREDITED TO THE EVALUATION OF STATE AND VETERANS NURSING HOMES CASH FUND CREATED IN SECTION 26-12-305 IN AN AMOUNT SUFFICIENT TO FUND STAFF ASSISTANCE.

- (2) **Duties.** (a) The committee shall meet at least once on or before September 30, 2005, and at such other times as the committee chair deems necessary.
- (b) THE COMMITTEE SHALL BE RESPONSIBLE FOR THE OVERSIGHT OF THE COMMISSION AND SHALL, IN ACCORDANCE WITH THIS SUBSECTION (2), SUBMIT A REPORT TO THE GENERAL ASSEMBLY REGARDING THE FINDINGS AND RECOMMENDATIONS OF THE COMMISSION. IN ADDITION, THE COMMITTEE MAY RECOMMEND LEGISLATIVE CHANGES THAT SHALL BE TREATED AS BILLS RECOMMENDED BY AN INTERIM LEGISLATIVE COMMITTEE FOR PURPOSES OF ANY INTRODUCTION DEADLINES OR BILL LIMITATIONS IMPOSED BY THE JOINT RULES OF THE GENERAL ASSEMBLY.
- (c) THE COMMITTEE'S AREAS OF CONSIDERATION SHALL INCLUDE, BUT NEED NOT BE LIMITED TO:
- (I) THE EXPERTISE, ACCOUNTABILITY SYSTEMS, AND RESOURCES NECESSARY TO EFFECTIVELY MANAGE THE STATE AND VETERANS NURSING HOMES TO ASSURE THE ONGOING PROVISION OF HIGH QUALITY OF CARE;
- (II) OPTIONS FOR THE ADMINISTRATION OF THE STATE AND VETERANS NURSING HOMES, INCLUDING WHICH STATE AGENCY IS BEST EQUIPPED TO ASSURE THE PROVISION OF A HIGH QUALITY OF CARE;
- (III) THE CONSIDERATION OF AN INDEPENDENT NURSING HOME ADMINISTRATION OR AUTHORITY;
- (IV) CREATION OF AN OVERSIGHT BOARD OR ADVISORY COUNCIL OR SUPPORT COUNCIL FOR ALL STATE AND VETERANS NURSING HOMES, AS WELL AS INDIVIDUAL BOARDS OR COUNCILS FOR EACH LOCAL FACILITY;
  - (V) IDENTIFICATION OF ONGOING RESPONSIBILITY FOR LEGISLATIVE OVERSIGHT;
- (VI) Partnerships, consultative relationships, and contracting with the private sector; and
  - (VII) FISCAL ISSUES, INCLUDING, BUT NOT LIMITED TO:
  - (A) THE AFFORDABILITY OF CARE FOR VETERANS;
- (B) THE RELATIONSHIP BETWEEN THE OPERATIONS OF INDIVIDUAL NURSING HOMES AND THE CENTRAL ENTERPRISE FUND;
- (C) THE MAINTENANCE OF CERTIFICATIONS AND APPROVALS RECEIVED THROUGH STATE AND FEDERAL INSPECTIONS; AND

- (D) FUNDING AND LICENSING AGENCIES.
- (d) The committee shall communicate periodically with the Fitzsimons state veterans nursing home advisory board, as described in section 26-12-201.5. The communications described in this paragraph (d) may be conducted by the chairperson of the committee or the chairperson's designees and may concern any function or finding of the committee or the board.
- (e) The committee shall submit a report to the general assembly on or before October 15, 2006. The report shall summarize the issues addressing the state and veterans nursing homes that have been considered and any recommended legislative proposals.
- **26-12-303.** Commission creation membership duties. (1) Creation. (a) There is hereby created a state and veterans nursing home commission to evaluate the state and veterans nursing homes located in Homelake, Florence, Trinidad, Rifle, and Aurora, Colorado.
- (b) THE COMMISSION SHALL CONSIST OF ELEVEN VOTING MEMBERS, NO MORE THAN SIX OF WHOM SHALL BE FROM THE SAME POLITICAL PARTY, APPOINTED BY THE GOVERNOR AS FOLLOWS:
- (I) TWO PERSONS FROM THE COLORADO BOARD OF VETERANS AFFAIRS, INCLUDING THE CHAIR OF THE BOARD OF VETERANS AFFAIRS;
- (II) TWO PERSONS WHO ARE MEMBERS OF A STATEWIDE NONPROFIT COALITION THAT REPRESENTS VETERANS SERVICE ORGANIZATIONS;
- (III) TWO PERSONS WHO ARE MEMBERS OF THE FAMILIES OF TWO DIFFERENT VETERANS WHO HAVE BEEN PROVIDED CARE AT SEPARATE STATE AND VETERANS NURSING HOMES;
- (IV) TWO PERSONS WHO ARE MEMBERS OF SEPARATE STATEWIDE ORGANIZATIONS THAT REPRESENT PROPRIETARY AND NONPROFIT NURSING FACILITIES; AND
- (V) Three persons who have special expertise and interest in the field of long-term nursing care, at least one of whom shall be the state long-term care ombudsman or a local ombudsman as defined by section 26-11.5-103 (2).
- (c) The commission shall also include the executive directors of the state department of human services, the department of health care policy and financing, the department of military and veterans affairs, and the department of public health and environment, or their designees. The executive directors, or their designees, shall serve as nonvoting, ex officio members of the commission.
- (d) On or before August 1, 2005, the governor shall appoint the commission members. Each member shall serve a term that shall expire upon the repeal of this part 3.

- (e) THE GOVERNOR SHALL APPOINT A QUALIFIED PERSON TO FILL ANY VACANCY ON THE COMMISSION FOR THE REMAINDER OF AN UNEXPIRED TERM.
- (f) A MAJORITY OF THE VOTING MEMBERS OF THE COMMISSION SHALL ELECT A VOTING MEMBER TO SERVE AS CHAIR OF THE COMMISSION.
- (2) **Issues for study.** The Commission shall specifically consider, but need not be limited to, the following issues:
- (a) THE EXPERTISE AND RESOURCES NECESSARY FOR THE UNIT OF STATE GOVERNMENT CHARGED WITH ADMINISTERING STATE AND VETERANS NURSING HOMES TO EFFECTIVELY MANAGE THE NURSING HOMES TO ASSURE THE ONGOING PROVISION OF HIGH-OUALITY CARE;
- (b) THE AGENCY LOCATION OF THAT UNIT, ITS AUTHORITY AND RESPONSIBILITIES, AND ITS ADMINISTRATIVE OPTIONS RELATED TO MANAGEMENT;
- (c) MECHANISMS FOR ASSURING ONGOING OVERSIGHT OF QUALITY OF CARE AND FISCAL MATTERS RELATED TO THE OPERATION OF STATE AND VETERANS NURSING HOMES;
- (d) PARTNERSHIPS, CONSULTATIVE RELATIONSHIPS, AND OTHER CONTRACT RELATIONSHIPS WITH THE PRIVATE NURSING HOME SECTOR;
- (e) Any issue that the committee is authorized to study or that the committee authorizes the commission to study; and
- (f) Any necessary legislative or budgetary actions to implement the commission's recommendations.
- (3) Additional duties of the commission. (a) On or before September 30, 2005, the commission shall hold its first meeting and meet thereafter on a basis determined by a majority of the commission members; except that the commission may not meet less frequently than once every two months.
- (b) On or before December 31, 2005, the commission shall submit to the committee a preliminary report concerning:
- (I) Issues to be studied in upcoming commission meetings and a prioritization of those issues;
- (II) FINDINGS, EVALUATIONS, AND RECOMMENDATIONS REGARDING ISSUES OF PRIOR CONSIDERATION BY THE COMMISSION; AND
- (III) PRELIMINARY LEGISLATIVE PROPOSALS OF THE COMMISSION THAT IDENTIFY THE POLICY ISSUES INVOLVED, THE AGENCIES RESPONSIBLE FOR IMPLEMENTATION OF THE CHANGES, AND THE FUNDING SOURCES REQUIRED FOR IMPLEMENTATION OF THE CHANGES.
- (c) On or before June 30, 2006, the commission shall submit to the committee a final report including recommendations for legislation to

BE INTRODUCED IN THE 2007 REGULAR LEGISLATIVE SESSION.

- (d) The commission shall communicate with and obtain input from groups throughout the state affected by the issues identified in subsection (2) of this section.
- (e) THE COMMISSION MAY CREATE SUBCOMMITTEES AS NEEDED TO CARRY OUT THE DUTIES OF THE COMMISSION. THE SUBCOMMITTEES MAY CONSIST, IN PART, OF PERSONS WHO ARE NOT MEMBERS OF THE COMMISSION. SUCH PERSONS MAY VOTE ON ISSUES BEFORE THE SUBCOMMITTEE BUT SHALL NOT BE ENTITLED TO A VOTE AT MEETINGS OF THE COMMISSION.
- (4) **Compensation.** Members of the commission shall serve without compensation, but may be reimbursed for any actual expenses incurred in the performance of their duties from any funds that may be available in the evaluation of state and veterans nursing homes cash fund created in section 26-12-305.
- **26-12-304.** Funding staff support. (1) The board of veterans affairs, on behalf of the commission, is authorized to allocate funds from the Colorado state veterans trust fund created pursuant to section 28-5-709, C.R.S., for any direct or indirect costs of the oversight committee or the commission. Any moneys so allocated shall be credited to the evaluation of state and veterans nursing home cash fund, created in section 26-12-305.
- (2) The director of research of the legislative council, the director of the office of legislative legal services, the chair of the board of veterans affairs, and the executive directors of the departments represented on the commission may, in their discretion, supply staff assistance to the commission as they deem appropriate within existing appropriations. If staff assistance is not available from a governmental agency within existing appropriations, then the chair of the board of veterans affairs, the executive directors of the departments represented on the commission, the director of research of the legislative council, and the director of the office of legislative legal services may, in their discretion, supply staff assistance to the commission only if moneys are credited to the evaluation of state and veterans nursing homes cash fund created in section 26-12-305 in an amount sufficient to fund staff assistance. The commission may, in its discretion, also accept staff support from the private sector.
- **26-12-305. Cash fund created.** (1) All private and public funds received through grants, contributions, and donations pursuant to this part 3 shall be transmitted to the state treasurer, who shall credit the same to the evaluation of state and veterans nursing homes cash fund, which fund is hereby created and referred to in this section as the "fund". The moneys in the fund shall be subject to annual appropriation by the general assembly for the direct and indirect costs associated with the implementation of this part 3. All moneys in the fund not expended for the purpose of this part 3 may be invested by the state treasurer as provided

BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND; EXCEPT THAT ALL UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AS OF JULY 1, 2007, SHALL BE TRANSFERRED TO THE COLORADO STATE VETERANS TRUST FUND CREATED PURSUANT TO SECTION 28-5-709, C.R.S.

(2) Compensation as provided in Sections 26-12-302 (1) (d) and 26-12-304 (2) for members of the General assembly and for Staff assistance to the Committee and Commission provided by the director of Research of the Legislative Council and the director of the office of Legislative Legal Services shall be approved by the Chair of the Legislative Council and Paid by Vouchers and Warrants Drawn as Provided by Law from Moneys appropriated for Such Purpose and Allocated to the Legislative Council from the Fund.

**26-12-306.** Repeal of part. This part 3 is repealed, effective July 1, 2007.

**SECTION 3.** 28-5-709 (1) (b), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

- 28-5-709. Colorado state veterans trust fund created report repeal. (1) (b) The moneys in the trust fund shall be used for:
- (I.5) Costs incurred by the legislative oversight committee and the state and veterans nursing home commission created in part 3 of article 12 of title 26, C.R.S., to evaluate the quality of care provided to veterans and their families at certain state and veterans nursing homes;
- **SECTION 4. Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, to the legislative department, for the fiscal year beginning July 1, 2005, the sum of nineteen thousand four hundred eighty-nine dollars (\$19,489) and 0.4 FTE, or so much thereof as may be necessary, for the implementation of this act. Said sum shall be cash funds exempt from the evaluation of state and veterans nursing homes cash fund created in section 26-12-305, Colorado Revised Statutes, not otherwise appropriated.
- (2) In addition to any other appropriation, there is hereby appropriated, to the department of human services, for allocation to the division of state and veterans nursing homes, for the fiscal year beginning July 1, 2005, the sum of thirty-four thousand nine hundred fifty dollars (\$34,950), or so much thereof as may be necessary, for implementation of this act. Said sum shall be cash funds exempt from the evaluation of state and veterans nursing homes cash fund created in section 26-12-305, Colorado Revised Statutes, not otherwise appropriated.
- **SECTION 5. Effective date.** This act shall take effect July 1, 2005; except that section 26-12-302 (2) (d), Colorado Revised Statutes, as enacted in section 2 of this act, shall take effect only if House Bill 05-1344 is enacted at the First Regular Session of the Sixty-fifth General Assembly and becomes law.

**SECTION 6. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 26, 2005